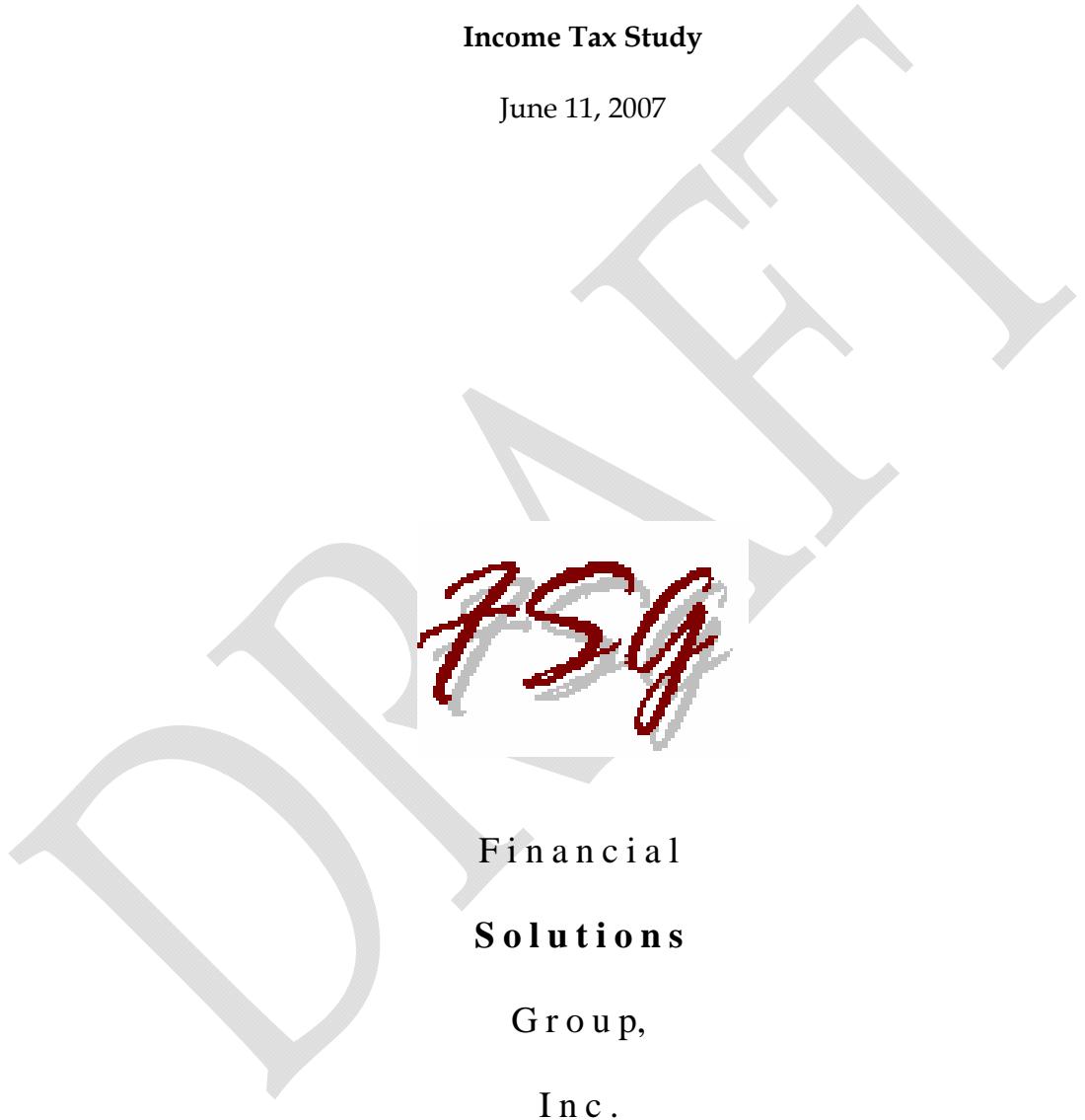


TIPPECANOE COUNTY, INDIANA
Tippecanoe County, Indiana

Income Tax Study

June 11, 2007



TIPPECANOE COUNTY, INDIANA

Income Tax Study

PURPOSE OF REPORT

The purpose of this report is to analyze the estimated amount of additional income tax that could be collected and the potential tax impact to both income tax payers and property tax payers in the County based upon the new tax legislation contained in House Bill 1478. In preparing our report, we have analyzed a substantial amount of data and made certain assumptions as detailed and presented in our report. We have utilized the most current data available, but it is important to note that more up to date information will be released by the State in the next thirty to sixty days. Our projection of estimated income tax collections is based upon historical information.

The new legislation allows the County to shift the funding of some items from property taxes to income taxes. Since only individuals will pay the new income taxes, there could also be a shift of tax burden from commercial entities to individuals depending on what option is selected. In addition, income taxes are not as stable as property taxes due to the fact that income typically falls during times of recession. Therefore, income taxes require a higher margin of protection (fund balances) for revenue shortfalls than property taxes. Exhibit D estimates the impact to an income tax payer based on different levels of income and new income tax rates.

There are three options available under the new legislation. Option A provides that an income tax be established to fund a portion of levy growth. For purposes of our analysis we have excluded non-levy controlled funds (rate controlled funds) and all school funds. If Option A is enacted, all levy controlled funds would have their current maximum levies frozen and growth in the levies would be funded by a new income tax. Our analysis of option A is contained in Exhibit E and is based upon the budgeted levy for Pay 2007 for each entity. We also used three assumptions for levy growth, 3.7%, 4.1% and 4.4% to give the County a range of required income tax rates. Option A also requires that the income tax be doubled for the first year to create a rate stabilization fund. It is important to note that Option A does not address the School portion of the property tax rate which is normally the largest portion of the tax rate. We estimate the required rate for Option A would be an additional .1% per year. This would most likely result in a new income tax rate of .5% after five years.

Option B allows the County to enact a new income tax to be used for one of three property tax credits. Option B1 assumes the new income tax revenue would be used to provide an additional homestead credit. Our analysis for this option is shown in Appendix F. We have estimated the credit based upon the current COIT homestead credit and have shown the estimated impact by taxing district. We have also shown the estimated impact to the owner of a home with an assessed valuation of \$175,000.

Option B2 assumes that the new income tax revenue would be used to provide a property tax replacement credit to all property tax payers. Our analysis for this option is shown in Appendix G. We have estimated the credit based upon the current State PTRC credit and have shown the estimated impact by taxing district.

Option B3 assumes that the new income tax revenue would be used to provide a property tax credit to all "Qualified" residential property. This credit, unlike the homestead credit, would also apply to apartments and rental properties. The exact amount of Qualified residential property in the County is currently unknown, but, we have assumed an additional 15% of homestead property would receive the credit. Our analysis for this option is shown in Appendix H.

Option C allows the County to enact a new income tax for public safety. The legislation includes a wide range of uses defined as public safety, including the funding of police and fire pensions, juvenile detention facilities, county jails, emergency medical services and communications systems. The new revenue would be distributed to County and the cities and towns in County based upon the current COIT distribution formula. Our analysis for this option is shown in Appendix I. In order to enact an income tax for Option C, an income tax for both Option A and Option B must also be enacted.

Our report is to be used for discussion purposes only. Actual results will vary from the estimates shown and such differences could be material. The new legislation is still being interpreted and the Department of Local Government Finance.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Historical COIT Collections and Distributions

<u>Year</u>	<u>Collections</u>		<u>Distributions</u>		<u>Special Distributions (1)</u>
2000	\$	14,254,407	\$	13,859,538	
2001		14,348,002		15,286,324	\$ 2,970,243
2002		13,887,665		16,090,277	2,284,836
2003		13,889,836		14,944,673	-
2004		15,023,453		14,563,329	81,454
2005		16,894,305		13,586,327	-

Notes:

General Note: At the end of 2005, the State held a balance of \$2,209,271 in the Tippecanoe County COIT Fund.

(1) Special Distributions are distributions to reduce the COIT Fund balance.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Historical COIT Collections and Tippecanoe County Federal AGI

<u>Year</u>	<u>COIT Collections</u>	<u>Tippecanoe County Federal Adjusted Gross Income</u>	<u>Imputed Collection Rate</u>
2000	\$ 14,254,407	\$ 2,526,117,086	0.0056
2001	14,348,002	2,642,303,400	0.0054
2002	13,887,665	2,500,996,502	0.0056
2003	13,889,836	2,548,950,119	0.0054
2004	15,023,453	2,732,538,351	0.0055
2005	16,894,305	2,961,142,362	0.0057

Notes:

General Note: Actual COIT rate is .006.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Projected Local Option Income Tax Revenue

2006 Certified COIT Distribution	\$ 15,535,833
2007 Certified COIT Distribution	16,372,835
	<u>Expected Future Period Revenues</u>
Estimated Distribution for New .10% Rate	\$ 2,700,000 to \$ 2,800,000
Estimated Distribution for New .20% Rate	5,400,000 to 5,600,000
Estimated Distribution for New .25% Rate	6,750,000 to 7,000,000

Notes:

- (1) Historical distributions are based upon a .6% COIT Rate and include distributions to all units and funds used for the homestead credit.
- (2) Estimated Distributions are based upon the incremental tax rate shown.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Individual Income Tax Impact

Federal Adjusted Gross Income (1)	Indiana Deductions and Exemptions (2)	Indiana Taxable Income	Estimated Annual Income Tax Impact		
			0.10%	0.20%	0.25%
\$ 10,000	\$ 6,000	\$ 4,000	\$ 4.00	\$ 8.00	\$ 10.00
15,000	6,000	9,000	9.00	18.00	22.50
20,000	6,000	14,000	14.00	28.00	35.00
25,000	6,000	19,000	19.00	38.00	47.50
30,000	6,000	24,000	24.00	48.00	60.00
35,000	6,000	29,000	29.00	58.00	72.50
40,000	6,000	34,000	34.00	68.00	85.00
45,000	6,000	39,000	39.00	78.00	97.50
50,000	6,000	44,000	44.00	88.00	110.00
55,000	6,000	49,000	49.00	98.00	122.50
60,000	6,000	54,000	54.00	108.00	135.00
65,000	6,000	59,000	59.00	118.00	147.50
70,000	6,000	64,000	64.00	128.00	160.00
75,000	6,000	69,000	69.00	138.00	172.50
80,000	6,000	74,000	74.00	148.00	185.00
85,000	6,000	79,000	79.00	158.00	197.50
90,000	6,000	84,000	84.00	168.00	210.00
95,000	6,000	89,000	89.00	178.00	222.50
100,000	6,000	94,000	94.00	188.00	235.00
110,000	6,000	104,000	104.00	208.00	260.00
120,000	6,000	114,000	114.00	228.00	285.00
130,000	6,000	124,000	124.00	248.00	310.00
140,000	6,000	134,000	134.00	268.00	335.00
150,000	6,000	144,000	144.00	288.00	360.00

(1) Federal Adjusted Gross Income includes all wages, distributions and interest earnings required to be reported on the Federal Tax Return.

(2) Indiana Exemptions are based upon \$1,000 for each person included on the return plus an additional \$1,500 for each child and an additional \$1,000 for each person over the age of 65 or blind. There are several categories of deductions available to Indiana residents. The primary deduction relates to rent paid for housing and property taxes paid on the taxpayer's residence. Taxpayers cannot claim both deductions and the deduction is limited to \$2,500. For illustration purposes, we have assumed an average total deduction and exemption of \$6,000.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT E

Levy Controlled Funds Only Option A-Fund Levy Growth

Unit 0000 Tippecanoe County		County		Maximum Levy Growth Factors		
Fund #	Fund	Assessed Value	Certified Levy	3.70%	4.10%	4.40%
0101	General	\$ 7,312,910,225	\$ 17,214,591	\$ 636,940	\$ 705,798	\$ 757,442
0123	Reassessment	7,312,910,225	277,891	10,282	11,394	12,227
0843	Welfare Family and Children	7,312,910,225	8,461,037	313,058	346,903	372,286
0856	Hosp Care Indegent	7,312,910,225	343,707	12,717	14,092	15,123
0858	Welfare MAW	7,312,910,225	416,836	15,423	17,090	18,341
0859	Welfare CSHCN	7,312,910,225	95,068	3,518	3,898	4,183
0860	Psychiatric Residential Trmnt	7,312,910,225	299,829	11,094	12,293	13,192
Total		\$ 27,108,959	\$ 1,003,031	\$ 1,111,467	\$ 1,192,794	
Unit 0001 Fairfield Township		Township				
Fund #	Fund	Assessed Value	Certified Levy			
0101	General	\$ 2,597,785,260	\$ 70,140	\$ 2,595	\$ 2,876	\$ 3,086
0840	Township Assistance	2,597,785,260	75,336	2,787	3,089	3,315
1111	Fire	341,125,870	163,399	6,046	6,699	7,190
Total		\$ 308,875	\$ 11,428	\$ 12,664	\$ 13,591	
Unit 0002 Jackson Township		Township				
Fund #	Fund	Assessed Value	Certified Levy			
0101	General	\$ 51,539,470	\$ 20,564	\$ 761	\$ 843	\$ 905
1111	Fire	51,539,470	17,884	662	733	787
Total		\$ 38,448	\$ 1,423	\$ 1,576	\$ 1,692	
Unit 0003 Lauramie Township		Township				
Fund #	Fund	Assessed Value	Certified Levy			
0101	General	\$ 117,186,665	\$ 14,766	\$ 546	\$ 605	\$ 650
0840	Township Assistance	117,186,665	6,445	238	264	284
1111	Fire	105,555,425	51,722	1,914	2,121	2,276
1312	Recreation	117,186,665	2,344	87	96	103
Total		\$ 75,277	\$ 2,785	\$ 3,086	\$ 3,312	
Unit 0004 Perry Township		Township				
Fund #	Fund	Assessed Value	Certified Levy			
0101	General	\$ 308,247,995	\$ 3,391	\$ 125	\$ 139	\$ 149
0840	Township Assistance	308,247,995	1,233	46	51	54
1111	Fire	308,247,995	55,793	2,064	2,288	2,455
1312	Recreation	308,247,995	4,932	182	202	217
Total		\$ 65,349	\$ 2,418	\$ 2,679	\$ 2,875	

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT E

Levy Controlled Funds Only Option A-Fund Levy Growth

Unit 0005 Randolph Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 59,025,570	\$ 22,961	\$ 850	\$ 941	\$ 1,010			
0840	Township Assistance	59,025,570	1,062	39	44	47			
1111	Fire	59,025,570	30,162	1,116	1,237	1,327			
	Total		\$ 54,185	\$ 2,005	\$ 2,222	\$ 2,384			

Unit 0006 Sheffield Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 337,167,505	\$ 18,207	\$ 674	\$ 746	\$ 801			
0840	Township Assistance	337,167,505	4,383	162	180	193			
1111	Fire	123,009,315	32,843	1,215	1,347	1,445			
	Total		\$ 55,433	\$ 2,051	\$ 2,273	\$ 2,439			

Unit 0007 Shelby Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 149,239,600	\$ 5,820	\$ 215	\$ 239	\$ 256			
0840	Township Assistance	149,239,600	2,686	99	110	118			
1111	Fire	137,250,080	19,352	716	793	851			
	Total		\$ 27,858	\$ 1,031	\$ 1,142	\$ 1,226			

Unit 0008 Tippecanoe Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 338,628,550	\$ 11,852	\$ 439	\$ 486	\$ 521			
0840	Township Assistance	338,628,550	12,529	464	514	551			
1111	Fire	338,628,550	49,778	1,842	2,041	2,190			
	Total		\$ 74,159	\$ 2,744	\$ 3,041	\$ 3,263			

Unit 0009 Union Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 234,248,170	\$ 8,901	\$ 329	\$ 365	\$ 392			
0840	Township Assistance	234,248,170	21,785	806	893	959			
	Total		\$ 30,686	\$ 1,135	\$ 1,258	\$ 1,350			

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT E

Levy Controlled Funds Only Option A-Fund Levy Growth

Unit 0010 Wabash Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 1,805,845,125	\$ 23,476	\$ 869	\$ 963	\$ 1,033			
0840	Township Assistance	1,805,845,125	18,058	668	740	795			
1111	Fire	755,640,245	129,970	4,809	5,329	5,719			
	Total		\$ 171,504	\$ 6,346	\$ 7,032	\$ 7,546			

Unit 0011 Washington Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 116,334,715	\$ 44,789	\$ 1,657	\$ 1,836	\$ 1,971			
1111	Fire	116,334,715	69,103	2,557	2,833	3,041			
1312	Recreation	116,334,715	19,893	736	816	875			
	Total		\$ 133,785	\$ 4,950	\$ 5,485	\$ 5,887			

Unit 0012 Wayne Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 73,923,495	\$ 4,657	\$ 172	\$ 191	\$ 205			
1111	Fire	73,293,495	38,366	1,420	1,573	1,688			
	Total		\$ 43,023	\$ 1,592	\$ 1,764	\$ 1,893			

Unit 0013 Wea Township

Township

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 1,123,738,105	\$ 53,939	\$ 1,996	\$ 2,211	\$ 2,373			
0840	Township Assistance	1,123,738,105	48,321	1,788	1,981	2,126			
1111	Fire	368,872,610	143,123	5,296	5,868	6,297			
1312	Recreation	1,123,738,105	44,950	1,663	1,843	1,978			
	Total		\$ 290,333	\$ 10,742	\$ 11,904	\$ 12,775			

Unit 0109 Lafayette Civil City

City/Town

Fund #	Fund	Assessed Value	Certified Levy						
0101	General	\$ 3,182,219,755	\$ 18,838,741	\$ 697,033	\$ 772,388	\$ 828,905			
0341	Fire Pension	3,182,219,755	496,426	18,368	20,353	21,843			
0342	Police Pension	3,182,219,755	754,186	27,905	30,922	33,184			
0605	Band	3,182,219,755	22,276	824	913	980			
0708	Motor Vehicle Highway	3,182,219,755	1,498,826	55,457	61,452	65,948			
1301	Park & Recreation	3,182,219,755	2,561,687	94,782	105,029	112,714			
	Total		\$ 24,172,142	\$ 894,369	\$ 991,058	\$ 1,063,574			

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT E

Levy Controlled Funds Only Option A-Fund Levy Growth

Unit 302 West Lafayette Civil City		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 1,050,204,880	\$ 5,890,599	\$ 217,952	\$ 241,515	\$ 259,186	
0341	Fire Pension	1,050,204,880	200,589	7,422	8,224	8,826	
0342	Police Pension	1,050,204,880	50,410	1,865	2,067	2,218	
1301	Park & Recreation	1,050,204,880	1,043,904	38,624	42,800	45,932	
Total		\$ 7,185,502	\$ 265,864	\$ 294,606	\$ 316,162		
Unit 0534 Otterbein Civil Town		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 11,989,520	\$ 76,877	\$ 2,844	\$ 3,152	\$ 3,383	
Total		\$ 76,877	\$ 2,844	\$ 3,152	\$ 3,383		
Unit 0890 Battle Ground Civil Town		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 50,682,375	\$ 176,780	\$ 6,541	\$ 7,248	\$ 7,778	
0708	Motor Vehicle Highway	50,682,375	13,076	484	536	575	
Total		\$ 189,856	\$ 7,025	\$ 7,784	\$ 8,354		
Unit 0891 Clarks Hill Civil Town		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 11,631,240	\$ 59,412	\$ 2,198	\$ 2,436	\$ 2,614	
Total		\$ 59,412	\$ 2,198	\$ 2,436	\$ 2,614		
Unit 0957 Dayton Civil Town		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 43,463,320	\$ 143,646	\$ 5,315	\$ 5,889	\$ 6,320	
0708	Motor Vehicle Highway	43,463,320	4,998	185	205	220	
Total		\$ 148,644	\$ 5,500	\$ 6,094	\$ 6,540		
Unit 0964 Shadeland Civil Town		City/Town					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 234,248,170	\$ 287,188	\$ 10,626	\$ 11,775	\$ 12,636	
0708	Motor Vehicle Highway	234,248,170	17,100	633	701	752	
Total		\$ 304,288	\$ 11,259	\$ 12,476	\$ 13,389		
Unit 0009 Otterbein Public Library		Library					
Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 11,989,520	\$ 10,011	\$ 370	\$ 410	\$ 440	
Total		\$ 10,011	\$ 370	\$ 410	\$ 440		

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT E

Levy Controlled Funds Only Option A-Fund Levy Growth

Unit 0221 West Lafayette Public Library

Library

Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 788,026,785	\$ 457,844	\$ 16,940	\$ 18,772	\$ 20,145	
	Total		\$ 457,844	\$ 16,940	\$ 18,772	\$ 20,145	

Unit 0280 Tippecanoe County Public Library

Library

Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 6,512,893,920	\$ 2,943,828	\$ 108,922	\$ 120,697	\$ 129,528	
	Total		\$ 2,943,828	\$ 108,922	\$ 120,697	\$ 129,528	

Unit 0868 Greater Lafayette Public Transport.

Special

Fund #	Fund	Assessed Value	Certified Levy				
8001	Special Transportation Gen	\$ 5,511,617,175	\$ 766,115	\$ 28,346	\$ 31,411	\$ 33,709	
8090	Special Transportation Cumul.	5,511,617,175	1,091,300	40,378	44,743	48,017	
	Total		\$ 1,857,415	\$ 68,724	\$ 76,154	\$ 81,726	

Unit 1079 Wildcat Creek Solid Waste Man. Dis.

Special

Fund #	Fund	Assessed Value	Certified Levy				
8210	Special Solid Waste Management	\$ 7,312,910,225	\$ 190,136	\$ 7,035	\$ 7,796	\$ 8,366	
	Total		\$ 190,136	\$ 7,035	\$ 7,796	\$ 8,366	

Unit 0040 Battle Ground Conservancy District

Conservancy

Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 85,287,700	\$ 86,993	\$ 3,219	\$ 3,567	\$ 3,828	
	Total		\$ 86,993	\$ 3,219	\$ 3,567	\$ 3,828	

Unit 0041 Little Wea Conservancy District

Conservancy

Fund #	Fund	Assessed Value	Certified Levy				
0101	General	\$ 28,757,500	\$ 13,171	\$ 487	\$ 540	\$ 580	
	Total		\$ 13,171	\$ 487	\$ 540	\$ 580	
	Adjustment for Levy Appeals			\$ 100,000	\$ 100,000	\$ 100,000	

Total Budget Levy for Tippecanoe County (All Units)

\$ 66,173,993 \$ 2,548,438 \$ 2,813,134 \$ 3,011,656

Adjusted Gross Income 2005

\$ 2,961,142,362

Annual Income	Tax Rate Needed	0.0861% 0.0950% 0.1017%
----------------------	------------------------	--------------------------------

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT F

Option B1 - COIT HSC Distribution

Taxing District	Assessed Value	Actual 2007 COIT HSC Rate Reduction	Actual 2007 Credit Amount	Taxing District Percentage of Total	Additional .10% LOIT	Reduction in Tax Rate for LOIT	Impact to Average Homeowner	Additional .25% LOIT	Reduction in Tax Rate for LOIT	Impact to Average Homeowner
Fairfield LSC-B	\$ 63,618,260	0.0539	\$ 34,264	1.56%	\$ 42,045.85	\$ 0.0661	\$ 90.54	\$ 105,114.63	\$ 0.1652	\$ 226.36
Fairfield TSC	12,809,630	0.0530	6,793	0.31%	8,335.95	0.0651	89.15	20,839.88	0.1627	222.88
Fairfield TSC-B	121,392,955	0.0533	64,740	2.94%	79,443.87	0.0654	89.66	198,609.68	0.1636	224.14
Jackson TSC	9,632,940	0.0543	5,229	0.24%	6,416.88	0.0666	91.26	16,042.21	0.1665	228.15
Lauramie TSC	45,514,630	0.0543	24,718	1.12%	30,331.79	0.0666	91.30	75,829.47	0.1666	228.25
Perry TSC	183,128,010	0.0512	93,725	4.26%	115,012.33	0.0628	86.04	287,530.81	0.1570	215.10
Perry TSC-B	64,868,720	0.0515	33,395	1.52%	40,980.08	0.0632	86.55	102,450.21	0.1579	216.37
Randolph TSC	20,687,790	0.0558	11,541	0.52%	14,162.22	0.0685	93.79	35,405.55	0.1711	234.46
Sheffield TSC	72,845,320	0.0514	37,425	1.70%	45,925.64	0.0630	86.37	114,814.11	0.1576	215.93
Shelby BSC	56,124,040	0.0644	36,134	1.64%	44,341.32	0.0790	108.24	110,853.30	0.1975	270.60
Shelby TSC	21,448,320	0.0510	10,945	0.50%	13,430.38	0.0626	85.79	33,575.94	0.1565	214.46
Tippecanoe TSC	117,280,040	0.0509	59,688	2.71%	73,244.84	0.0625	85.56	183,112.10	0.1561	213.90
Tippecanoe TSC-B	33,624,370	0.0512	17,214	0.78%	21,123.83	0.0628	86.07	52,809.58	0.1571	215.17
Shadeland Union TSC	36,523,120	0.0591	21,595	0.98%	26,500.10	0.0726	99.40	66,250.26	0.1814	248.51
Shadeland Union TSC-B	10,584,020	0.0594	6,290	0.29%	7,718.37	0.0729	99.91	19,295.91	0.1823	249.77
Wabash TSC	178,598,775	0.0510	91,018	4.14%	111,691.09	0.0625	85.68	279,227.72	0.1563	214.19
Wabash TSC-B	182,122,225	0.0513	93,361	4.24%	114,565.90	0.0629	86.18	286,414.76	0.1573	215.45
Wabash WLCS-B	2,438,080	0.0532	1,298	0.06%	1,592.77	0.0653	89.50	3,981.93	0.1633	223.75
Washington TSC	67,428,025	0.0516	34,814	1.58%	42,721.60	0.0634	86.80	106,804.00	0.1584	217.00
Wayne TSC	35,050,270	0.0535	18,767	0.85%	23,029.11	0.0657	90.01	57,572.76	0.1643	225.03
Wea TSC	120,683,855	0.0530	63,927	2.91%	78,446.29	0.0650	89.05	196,115.72	0.1625	222.63
Wea TSC-B	99,271,030	0.0533	52,882	2.40%	64,893.46	0.0654	89.56	162,233.65	0.1634	223.89
Battle Ground TSC	36,644,950	0.0720	26,380	1.20%	32,372.13	0.0883	121.03	80,930.31	0.2208	302.56
Clarks Hill TSC	7,430,080	0.0844	6,273	0.29%	7,698.19	0.1036	141.94	19,245.48	0.2590	354.86
Otterbein BSC	4,122,550	0.1079	4,449	0.20%	5,459.53	0.1324	181.43	13,648.82	0.3311	453.58
Dayton TSC	24,178,170	0.0668	16,151	0.73%	19,819.52	0.0820	112.30	49,548.79	0.2049	280.76
Lafayette Fairfield LSC-B	545,708,690	0.1027	560,456	25.47%	687,750.19	0.1260	172.66	1,719,375.48	0.3151	431.65
Lafayette Fairfield TSC-B	7,406,835	0.1022	7,568	0.34%	9,286.97	0.1254	171.78	23,217.43	0.3135	429.44
Lafayette Wea LSC-B	173,654,595	0.1034	179,584	8.16%	220,372.76	0.1269	173.86	550,931.91	0.3173	434.64
Lafayette Wea TSC-B	159,581,390	0.1029	164,187	7.46%	201,478.21	0.1263	172.97	503,695.52	0.3156	432.42
West Lafayette WLCS-B-WL	292,867,125	0.0929	272,073	12.37%	333,867.64	0.1140	156.18	834,669.10	0.2850	390.45
West Lafayette TSC-B-WL	1,486,800	0.0909	1,352	0.06%	1,658.87	0.1116	152.86	4,147.18	0.2789	382.14
West Lafayette WLCS-B-C	116,366,400	0.0919	106,918	4.86%	131,201.73	0.1127	154.47	328,004.32	0.2819	386.16
West Lafayette TSC-B-C	39,048,430	0.0899	35,107	1.60%	43,080.60	0.1103	151.15	107,701.49	0.2758	377.87
Lafayette Sheffield TSC-B	-	0.0999	-	0.00%	-	-	-	-	-	-
Lafayette Wea TSC-B (Phase-In)	-	0.1005	-	0.00%	-	-	-	-	-	-
Total for taxing districts			\$ 2,200,262	100.00%	\$ 2,700,000.00			\$ 6,750,000.00		

TIPPECANOE COUNTY
Tippecanoe County, Indiana

EXHIBIT G

Option B2- Additional PTRC Distribution

Taxing District	Assessed Value	Actual 2007	Actual 2007	Taxing District	Additional	Reduction in	Impact to	Additional	Reduction in	Impact to
		PTRC	Credit	Percentage of Total	.10% LOIT	Tax Rate for LOIT	Average Homeowner	.25% LOIT	Tax Rate for LOIT	Average Homeowner
Fairfield LSC-B	\$ 154,235,930	0.5314	\$ 819,632	1.78%	\$ 48,048.08	\$ 0.0312	\$ 42.68	\$ 120,120.19	\$ 0.0779	\$ 106.70
Fairfield TSC	21,868,150	0.5179	113,266	0.25%	6,639.80	0.0304	41.60	16,599.51	0.0759	103.99
Fairfield TSC-B	165,799,710	0.5188	860,157	1.87%	50,423.71	0.0304	41.67	126,059.27	0.0760	104.16
Jackson TSC	51,810,740	0.5215	270,188	0.59%	15,838.81	0.0306	41.88	39,597.02	0.0764	104.70
Lauramie TSC	106,234,715	0.5215	554,064	1.20%	32,480.05	0.0306	41.89	81,200.13	0.0764	104.72
Perry TSC	241,051,325	0.5127	1,235,899	2.68%	72,450.26	0.0301	41.18	181,125.66	0.0751	102.94
Perry TSC-B	72,432,460	0.5136	371,985	0.81%	21,806.34	0.0301	41.24	54,515.84	0.0753	103.11
Randolph TSC	59,110,800	0.5257	310,767	0.67%	18,217.61	0.0308	42.22	45,544.02	0.0770	105.56
Sheffield TSC	123,221,155	0.5133	632,448	1.37%	37,075.04	0.0301	41.22	92,687.59	0.0752	103.05
Shelby BSC	109,887,180	0.6422	705,730	1.53%	41,370.97	0.0376	51.58	103,427.43	0.0941	128.95
Shelby TSC	28,222,250	0.5123	144,580	0.31%	8,475.50	0.0300	41.14	21,188.76	0.0751	102.86
Tippecanoe TSC	227,976,155	0.5119	1,167,016	2.53%	68,412.26	0.0300	41.11	171,030.66	0.0750	102.78
Tippecanoe TSC-B	62,545,420	0.5128	320,704	0.70%	18,800.15	0.0301	41.18	47,000.37	0.0751	102.95
Shadeland Union TSC	67,204,150	0.5352	359,663	0.78%	21,084.01	0.0314	42.98	52,710.02	0.0784	107.45
Shadeland Union TSC-B	174,536,500	0.5360	935,566	2.03%	54,844.30	0.0314	43.05	137,110.74	0.0786	107.62
Wabash TSC	294,926,795	0.5121	1,510,296	3.28%	88,535.88	0.0300	41.13	221,339.69	0.0750	102.82
Wabash TSC-B	472,305,700	0.5129	2,422,648	5.26%	142,019.30	0.0301	41.20	355,048.25	0.0752	102.99
Wabash WLCS-B	5,328,170	0.6593	35,127	0.08%	2,059.21	0.0386	52.95	5,148.02	0.0966	132.37
Washington TSC	119,263,715	0.5140	613,002	1.33%	35,935.11	0.0301	41.28	89,837.77	0.0753	103.20
Wayne TSC	74,296,135	0.5210	387,109	0.84%	22,692.91	0.0305	41.85	56,732.28	0.0764	104.61
Wea TSC	176,759,520	0.5178	915,207	1.99%	53,650.83	0.0304	41.58	134,127.08	0.0759	103.96
Wea TSC-B	205,787,100	0.5186	1,067,253	2.32%	62,564.01	0.0304	41.65	156,410.02	0.0760	104.13
Battle Ground TSC	51,475,345	0.5715	294,205	0.64%	17,246.73	0.0335	45.90	43,116.81	0.0838	114.75
Clarks Hill TSC	11,806,360	0.6068	71,636	0.16%	4,199.43	0.0356	48.73	10,498.56	0.0889	121.82
Otterbein BSC	12,176,490	0.7653	93,192	0.20%	5,463.03	0.0449	61.47	13,657.57	0.1122	153.66
Dayton TSC	44,111,960	0.5569	245,652	0.53%	14,400.48	0.0326	44.72	36,001.19	0.0816	111.81
Lafayette Fairfield LSC-B	2,005,016,880	0.6694	13,421,370	29.14%	786,781.14	0.0392	53.76	1,966,952.85	0.0981	134.40
Lafayette Fairfield TSC-B	298,070,230	0.6568	1,957,659	4.25%	114,760.96	0.0385	52.75	286,902.40	0.0963	131.87
Lafayette Wea LSC-B	240,865,800	0.6714	1,617,165	3.51%	94,800.71	0.0394	53.92	237,001.76	0.0984	134.80
Lafayette Wea TSC-B	498,666,415	0.6588	3,285,134	7.13%	192,579.56	0.0386	52.91	481,448.89	0.0965	132.27
West Lafayette WLCS-B-WL	778,489,105	0.7715	6,005,665	13.04%	352,061.24	0.0452	61.96	880,153.10	0.1131	154.89
West Lafayette TSC-B-WL	25,073,090	0.6251	156,734	0.34%	9,188.01	0.0366	50.20	22,970.01	0.0916	125.51
West Lafayette WLCS-B-C	164,709,920	0.7686	1,265,914	2.75%	74,209.79	0.0451	61.73	185,524.47	0.1126	154.31
West Lafayette TSC-B-C	103,978,725	0.6222	646,975	1.40%	37,926.66	0.0365	49.97	94,816.65	0.0912	124.93
Lafayette Sheffield TSC-B	171,374,540	0.6506	1,114,945	2.42%	65,359.77	0.0381	52.25	163,399.43	0.0953	130.62
Lafayette Wea TSC-B (Phase-In)	19,877,040	0.6521	129,618	0.28%	7,598.39	0.0382	52.37	18,995.97	0.0956	130.93
Total			\$ 46,058,168	100%	\$ 2,700,000.00			\$ 6,750,000.00		

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Option B3 - Qualified Residential HSC Distribution

Taxing District	Additional Allocation for .10% LOIT	Reduction in Tax Rate for LOIT	Impact to Average Homeowner	Additional Allocation for .25% LOIT	Reduction in Tax Rate for LOIT	Impact to Average Homeowner
Fairfield LSC-B	\$ 42,045.85	\$ 0.0562	\$ 76.96	\$ 105,114.63	\$ 0.1404	\$ 192.41
Fairfield TSC	8,335.95	0.0553	75.78	20,839.88	0.1383	189.45
Fairfield TSC-B	79,443.87	0.0556	76.21	198,609.68	0.1391	190.52
Jackson TSC	6,416.88	0.0566	77.57	16,042.21	0.1416	193.93
Lauramie TSC	30,331.79	0.0566	77.60	75,829.47	0.1416	194.01
Perry TSC	115,012.33	0.0534	73.14	287,530.81	0.1335	182.84
Perry TSC-B	40,980.08	0.0537	73.57	102,450.21	0.1342	183.91
Randolph TSC	14,162.22	0.0582	79.72	35,405.55	0.1455	199.30
Sheffield TSC	45,925.64	0.0536	73.42	114,814.11	0.1340	183.54
Shelby BSC	44,341.32	0.0672	92.00	110,853.30	0.1679	230.01
Shelby TSC	13,430.38	0.0532	72.92	33,575.94	0.1331	182.29
Tippecanoe TSC	73,244.84	0.0531	72.73	183,112.10	0.1327	181.82
Tippecanoe TSC-B	21,123.83	0.0534	73.16	52,809.58	0.1335	182.89
Shadeland Union TSC	26,500.10	0.0617	84.49	66,250.26	0.1542	211.23
Shadeland Union TSC-B	7,718.37	0.0620	84.92	19,295.91	0.1550	212.30
Wabash TSC	111,691.09	0.0532	72.82	279,227.72	0.1329	182.06
Wabash TSC-B	114,565.90	0.0535	73.25	286,414.76	0.1337	183.14
Wabash WLCS-B	1,592.77	0.0555	76.08	3,981.93	0.1388	190.19
Washington TSC	42,721.60	0.0539	73.78	106,804.00	0.1346	184.45
Wayne TSC	23,029.11	0.0558	76.51	57,572.76	0.1396	191.28
Wea TSC	78,446.29	0.0553	75.69	196,115.72	0.1381	189.24
Wea TSC-B	64,893.46	0.0556	76.12	162,233.65	0.1389	190.31
Battle Ground TSC	32,372.13	0.0751	102.87	80,930.31	0.1877	257.18
Clarks Hill TSC	7,698.19	0.0881	120.65	19,245.48	0.2202	301.63
Otterbein BSC	5,459.53	0.1126	154.22	13,648.82	0.2814	385.54
Dayton TSC	19,819.52	0.0697	95.46	49,548.79	0.1742	238.64
Lafayette Fairfield LSC-B	687,750.19	0.1071	146.76	1,719,375.48	0.2678	366.90
Lafayette Fairfield TSC-B	9,286.97	0.1066	146.01	23,217.43	0.2664	365.02
Lafayette Wea LSC-B	220,372.76	0.1079	147.78	550,931.91	0.2697	369.45
Lafayette Wea TSC-B	201,478.21	0.1073	147.02	503,695.52	0.2683	367.56
West Lafayette WLCS-B-WL	333,867.64	0.0969	132.75	834,669.10	0.2422	331.88
West Lafayette TSC-B-WL	1,658.87	0.0948	129.93	4,147.18	0.2371	324.82
West Lafayette WLCS-B-C	131,201.73	0.0958	131.30	328,004.32	0.2396	328.24
West Lafayette TSC-B-C	43,080.60	0.0938	128.47	107,701.49	0.2344	321.19
Lafayette Sheffield TSC-B	-	-	-	-	-	-
Lafayette Wea TSC-B (Phase-In)	-	-	-	-	-	-
Total for taxing districts	\$ 2,700,000.00			\$ 6,750,000.00		

Note: Reduction in tax rate for LOIT has been reduced by 15% to reflect additional AV due to addition of all "Qualified Residential Property."

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Option C - Additional LOIT for Public Safety

Unit Name	2006 Adjusted Abstract Levy	Percentage Of Total	.10% LOIT Estimated Distribution	.25% LOIT Estimated Distribution
Tippecanoe County	\$ 36,886,107	49.48%	\$ 1,336,068	\$ 3,340,170
City of Lafayette	27,780,626	37.27%	1,006,254	2,515,636
City of West Lafayette	8,849,679	11.87%	320,548	801,370
Town of Otterbein	82,213	0.11%	2,978	7,445
Town of Battle Ground	234,806	0.32%	8,505	21,263
Town of Clarks Hill	70,973	0.10%	2,571	6,427
Town of Dayton	193,936	0.26%	7,025	17,562
Town of Shadeland	443,131	0.59%	16,051	40,127
Totals	\$ 74,541,471	100%	\$ 2,700,000	\$ 6,750,000

Notes:

The County must impose a LOIT for Option A and Option B before a LOIT for Option C can be imposed.
Estimated distributions based upon 2007 Certified COIT distribution.

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Pay 2007 Tax Rates

Taxing District	Assessed Value	Tax Rate	RE & Other	Net	State	COIT	CREDIT	Net
			PP PTRC	Tax Rate	HSC	HSC	HSC	Tax Rate
Fairfield LSC-B	\$ 154,235,930	1.9729	0.269357	1.441486	0.086123	0.037363	0.102470	0.9957
Fairfield TSC	21,868,150	2.0057	0.258238	1.487752	0.082161	0.035645	0.065064	1.1210
Fairfield TSC-B	165,799,710	2.0394	0.254385	1.520607	0.080841	0.035072	0.018076	1.2474
Jackson TSC	51,810,740	2.0268	0.257297	1.505310	0.083123	0.036062	0.018260	1.2267
Lauramie TSC	106,234,715	2.0380	0.255911	1.516453	0.082545	0.035812	0.018362	1.2378
Perry TSC	241,051,325	1.9983	0.256574	1.485588	0.079411	0.034451	0.020593	1.2169
Perry TSC-B	72,432,460	2.0320	0.252737	1.518439	0.078148	0.033904	0.020148	1.2498
Randolph TSC	59,110,800	2.0631	0.254828	1.537364	0.083642	0.036287	0.019589	1.2495
Sheffield TSC	123,221,155	2.0109	0.255240	1.497638	0.079071	0.034305	0.017635	1.2342
Shelby BSC	109,887,180	2.3500	0.273290	1.707769	0.086898	0.037700	0.114413	1.1461
Shelby TSC	28,222,250	1.9887	0.257601	1.476409	0.079666	0.034562	0.055527	1.1388
Tippecanoe TSC	227,976,155	2.0221	0.253154	1.510197	0.077680	0.033700	0.017488	1.2496
Tippecanoe TSC-B	62,545,420	2.0558	0.249418	1.543046	0.076474	0.033178	0.017116	1.2824
Shadeland Union TSC	67,204,150	2.1266	0.251660	1.591420	0.085639	0.037154	0.022303	1.2829
Shadeland Union TSC-B	174,536,500	2.1603	0.248127	1.624271	0.084333	0.036587	0.021852	1.3158
Wabash TSC	294,926,795	2.0087	0.254937	1.496608	0.078489	0.034052	0.017807	1.2348
Wabash TSC-B	472,305,700	2.0424	0.251146	1.529459	0.077255	0.033517	0.017424	1.2676
Wabash WLCS-B	5,328,170	2.1893	0.301134	1.530027	0.080201	0.034795	0.030618	1.2112
Washington TSC	119,263,715	2.0672	0.248640	1.553211	0.076625	0.033242	0.018081	1.2887
Wayne TSC	74,296,135	2.0765	0.250920	1.555465	0.079344	0.034422	0.018652	1.2805
Wea TSC	176,759,520	2.0269	0.255449	1.509130	0.080905	0.035100	0.019005	1.2355
Wea TSC-B	205,787,100	2.0606	0.251684	1.541980	0.079629	0.034547	0.018600	1.2684
Battle Ground TSC	51,475,345	2.4206	0.236117	1.849055	0.089739	0.038933	0.014994	1.5013
Clarks Hill TSC	11,806,360	2.4990	0.242801	1.892240	0.102849	0.044620	0.013894	1.4890
Otterbein BSC	12,176,490	3.1550	0.242580	2.389660	0.104098	0.045161	0.081765	1.6608
Dayton TSC	44,111,960	2.3317	0.238831	1.774818	0.086759	0.037638	0.041141	1.3888
Lafayette Fairfield LSC-B	2,005,016,880	2.7881	0.240088	2.118711	0.111734	0.048474	0.099329	1.3951
Lafayette Fairfield TSC-B	298,070,230	2.8546	0.230077	2.197822	0.107160	0.046490	0.041977	1.6394
Lafayette Wea LSC-B	240,865,800	2.7956	0.240162	2.124203	0.112216	0.048684	0.099016	1.3976
Lafayette Wea TSC-B	498,666,415	2.8621	0.230175	2.203316	0.107635	0.046696	0.041818	1.6419
West Lafayette WLCS-B-WL	778,489,105	3.0394	0.253817	2.267949	0.094417	0.040962	0.025714	1.7783
West Lafayette TSC-B-WL	25,073,090	2.8925	0.216114	2.267390	0.092432	0.040100	0.016708	1.8357
West Lafayette WLCS-B-C	164,709,920	2.8640	0.268356	2.095428	0.101068	0.043848	0.027546	1.6015
West Lafayette TSC-B-C	103,978,725	2.7171	0.229001	2.094881	0.098924	0.042917	0.017799	1.6611
Lafayette Sheffield TSC-B	171,374,540	2.8192	0.230771	2.168610	0.106225	0.046084	0.000000	1.7392
Lafayette Wea TSC-B (Phase-In)	19,877,040	2.8256	0.230782	2.173502	0.106552	0.046226	0.031636	1.6524

TIPPECANOE COUNTY
Tippecanoe County, Indiana

Homestead versus Commercial

Taxing Districts	Total	Homestead	Homestead
	Assessed Value	Assessed Value	Residential
Fairfield LSC-B	\$ 154,235,930	\$ 63,618,260	41.25%
Fairfield TSC	21,868,150	12,809,630	58.58%
Fairfield TSC-B	165,799,710	121,392,955	73.22%
Jackson TSC	51,810,740	9,632,940	18.59%
Lauramie TSC	106,234,715	45,514,630	42.84%
Perry TSC	241,051,325	183,128,010	75.97%
Perry TSC-B	72,432,460	64,868,720	89.56%
Randolph TSC	59,110,800	20,687,790	35.00%
Sheffield TSC	123,221,155	72,845,320	59.12%
Shelby BSC	109,887,180	56,124,040	51.07%
Shelby TSC	28,222,250	21,448,320	76.00%
Tippecanoe TSC	227,976,155	117,280,040	51.44%
Tippecanoe TSC-B	62,545,420	33,624,370	53.76%
Shadeland Union TSC	67,204,150	36,523,120	54.35%
Shadeland Union TSC-B	174,536,500	10,584,020	6.06%
Wabash TSC	294,926,795	178,598,775	60.56%
Wabash TSC-B	472,305,700	182,122,225	38.56%
Wabash WLCS-B	5,328,170	2,438,080	45.76%
Washington TSC	119,263,715	67,428,025	56.54%
Wayne TSC	74,296,135	35,050,270	47.18%
Wea TSC	176,759,520	120,683,855	68.28%
Wea TSC-B	205,787,100	99,271,030	48.24%
Battle Ground TSC	51,475,345	36,644,950	71.19%
Clarks Hill TSC	11,806,360	7,430,080	62.93%
Otterbein BSC	12,176,490	4,122,550	33.86%
Dayton TSC	44,111,960	24,178,170	54.81%
Lafayette Fairfield LSC-B	2,005,016,880	545,708,690	27.22%
Lafayette Fairfield TSC-B	298,070,230	7,406,835	2.48%
Lafayette Wea LSC-B	240,865,800	173,654,595	72.10%
Lafayette Wea TSC-B	498,666,415	159,581,390	32.00%
West Lafayette WLCS-B-WL	778,489,105	292,867,125	37.62%
West Lafayette TSC-B-WL	25,073,090	1,486,800	5.93%
West Lafayette WLCS-B-C	164,709,920	116,366,400	70.65%
West Lafayette TSC-B-C	103,978,725	39,048,430	37.55%
Lafayette Sheffield TSC-B	171,374,540	-	0.00%
Lafayette Wea TSC-B (Phase-In)	19,877,040	-	0.00%
Total	\$ 7,440,495,675	\$ 2,964,170,440	39.84%
		Percentage Non-Homestead	60.16%